

Through fellowship and prayer, we acknowledge that all power is temporary and must ultimately answer to His purposes. And we know that affirming this truth is particularly appropriate in the heart of a Capital built upon the promise of self-government. No one understood this better than Abraham Lincoln.

In November 1864, after being reelected to his second term, Lincoln declared he would be “the most shallow and self-conceited blockhead on Earth if he ever thought he could do his job without the wisdom which comes from God and not from men.” Throughout a terrible Civil War, he issued many exhortations to prayer, calling upon the American people to humble themselves before their Maker and to serve all those in need.

Our faith-based institutions display that same spirit of prayer and service in their work every day. Lincoln’s call is still heard throughout the land. People of faith have no corner on compassion. But people of faith need compassion if they are to be true to their most cherished beliefs. For prayer means more than presenting God with our plans and desires, prayer also means opening ourselves to God’s priorities, especially by hearing the cry of the poor and the less fortunate.

When the tsunamis hit those on the far side of the world, the American Government rightly responded. But the American response is so much more than what our Government agencies did. Look at the list of organizations bringing relief to the people from Indonesia to Sri Lanka. They’re full of religious names: Samaritan’s Purse, American-Jewish World Service, Baptist World Aid, the Catholic Medical Mission Board. They do a superb job delivering relief across the borders and continents and cultures.

Today, millions of people across this Earth get the help they need only because our faith-based institutions live the commandment to “love thy neighbor as thyself.” Often, that means remembering the people forgotten or overlooked in a busy world, those in Africa suffering from HIV/AIDS, young girls caught up in the global sex trade, victims of religious persecution.

In these great moral challenges of our times, our churches, synagogues, mosques, and temples are providing the vision that is changing lives. I’ve seen some of their miracles up close. Last June, I met Veronica Braewell, a 20-year-old refugee from Liberia. As a 13-year-old child, Veronica witnessed armed men killing children in horrific ways. As she fled this madness, Veronica left—was left for dead atop a pile of bodies, until her grandmother found her. In August 2003, Catholic Social Agency helped resettle her in Pennsylvania, where Veronica is now completing the circle of compassion by working in a home for elderly in Bethlehem, Pennsylvania, and studying to become a certified nursing assistant.

When Veronica told me of her story, it was through the kind of tears no young woman should ever know. And when she finished, she dried her eyes and said, “Thank you, Mr. President, for my freedom.” But I told her, it wasn’t me she needed to thank; she needed to thank the good hearts of the United States of America. The America that embraced Veronica would not be possible without the prayer that drives and leads and sustains our armies of compassion.

I thank you for the fine tradition you continue here today and hope that as a nation we will never be too proud to commend our cares to Providence and trust in the goodness of His plans.

God bless.

NOTE: The President spoke at 8:59 a.m. at the Washington Hilton Hotel. In his remarks, he referred to speaker and entertainer Wintley Phipps; Sgt. Douglas Norman, USA, 3d U.S. Infantry Regiment; and Ambassador Tony P. Hall, U.S. Mission to United Nations Agencies for Food and Agriculture, and his wife, Janet. A tape was not available for verification of the content of these remarks.

Remarks in a Discussion on Strengthening Social Security in Fargo, North Dakota

February 3, 2005

The President. Thanks for coming out. Please be seated. Thanks for coming. The Governor told me—he said, “You come over

here to North Dakota, we might be able to get a few people around to discuss Social Security." I said, "Okay, I'll come." Governor, looks like you got more than a few.

I'm honored so many came out to hear what I think you're going to find to be an interesting discussion about a very important issue. It's an issue that relates to our children's future. It's an issue that will determine whether or not those of us in elective office have got the courage and the wisdom to solve problems now, and that's Social Security.

But before I talk about that, I do want to thank our host, Joe Chapman, and North Dakota State University for welcoming us here. I'm glad a lot of the college kids are here because we're talking about something that's going to affect your life. That's what we're here to talk about, and I want you to pay attention. *[Laughter]* Something I didn't necessarily do when I was in college. *[Laughter]* I know the Bison women's basketball team is playing pretty well—after all, undefeated. Congratulations.

I want to thank the first lady of North Dakota for being here. Mikey, welcome. Thanks for coming. I'm proud of you—proud of the job you're doing. Governor Hoeven is doing a fine job as well, and like me, he married well.

I'm sorry Laura is not here.

Audience members. Aw-w-w!

The President. Yes, that's generally the reaction, which is like—*[laughter]*—why didn't you send her and you stay at home? I get it. *[Laughter]* But she is an unbelievably beautiful woman, great wife, terrific First Lady.

I was proud that the Governor was at the State of the Union Address last night, and I was proud that he flew back from Washington with me, and I really enjoyed flying back as well with Senator Kent Conrad. I'm proud you're here, Senator. Thank you for coming. I enjoyed our visit. And Senator Conrad asked permission if he could bring a Senator with him from another State. I said, "Fine, who is it?" And he said, "Well, that would be Senator Conrad Burns from Montana." I said, "Bring him on." Welcome, Senator. I'm glad you're here.

After here, we're going to Montana. Then I'm going to Nebraska. Then I'm going to

Arkansas, and then I'm going to Florida. See, I think it's important to get out amongst the people and talk about important issues. And that's what I'm doing. And Congressman Denny Rehberg is with us from Montana as well. Denny, thank you for joining us, proud that you're here.

Guess what we spent a lot of time talking about with the Senator—both Senators and the Congressman and the Governor. We spent time talking about beef. We spent time talking about the cattle men and women of North Dakota and Montana to make sure people can make—we spent time talking about rural health care, to make sure that people can find health care in America.

Let me tell you one thing we need to do to make sure people in rural America can find health care, and that's to do something about these junk lawsuits that are running good doctors out of practice. Lawsuit after lawsuit after lawsuit is running up the cost of your health care, and it's making it hard for people to find a good doctor. I met too many women who are worried about their pregnancy because the ob-gyn they had been using is no longer in practice.

We have a problem. I used to think these problems could be solved at the State level, but I recognized that these frivolous lawsuits are running up the cost of medicine, and therefore, they're affecting Federal budgets. I believe the medical liability crisis is a national problem that requires a national solution, and Congress needs to get a good bill to my desk this year.

We also spent some time talking about energy. We've been debating energy for 4 years in the United States Congress. Now is the time to quit debating and get something done. And that means good conservation. It means renewable sources of energy like bio-diesel and ethanol. It means clean, safe nuclear power. It means an energy plan that will make us less dependent on foreign sources of energy.

I'll tell you what's going to be a great day for a President—when somebody comes in with the crop report and says that the amount of corn is up and therefore, we're less dependent on foreign sources of energy. I believe it's possible. And I believe it's a wise use of taxpayers' money to explore ways to

develop energy here at home that's renewable, clean, and safe.

I want to thank your Lieutenant Governor Jack Dalrymple and Betsy for being with us. Governor, thanks for coming. Betsy, I appreciate you being out at the airport. I want to thank the attorney general for being here today. Mr. Attorney General, thanks for coming. I want to thank the leaders of the house and the senate who have joined us.

I appreciate my friend Ed Schafer and Nancy—the former Governor of North Dakota and former first lady. We're both members of the ex-Governors club. *[Laughter]* Tired old guys who can't run anymore. *[Laughter]* But I fondly remember the Schafers during our tenures as Governors of our respective States. It's great to see you all.

I met Fran Rickers today at the airport. She was out there, standing right there when I came off the airplane, on Air Force One. Fran is a volunteer at the Veterans Center. And the reason I bring that up is, as I mentioned last night in the speech, one of the great values of America is compassion. And one of the great strengths of America is the fact that thousands of our citizens volunteer on a daily basis. It doesn't even require a Federal law, by the way. *[Laughter]* They do it out of the goodness of their heart. They do it because they're answering a call to love a neighbor just like they would like to be loved themselves.

If any of the youngsters who are here are interested in how you can serve our country, find somebody whose heart needs healing, find somebody who's hungry, find somebody who is looking for shelter and make that person's life better. You see, you can serve America and change our country one heart, one soul, one conscience at a time.

Fran, I want to thank you for setting such a good example by volunteering your time at the Veterans Center.

Before I get to Social Security, I do want to talk about how amazing these past couple of months have been in the history of our world. I want the youngsters here to think about what has happened in such a brief period of time. First, there were elections in Afghanistan. Now, that's—*[applause]*—are

you from Afghanistan? From? You're from Iraq?

Audience member. *[Inaudible]*

The President. Yes—thank you. Thank you. Okay, wait a minute, you got ahead of the story. *[Laughter]* You got me to Iraq before we even got out of Afghanistan. *[Laughter]* You see, Afghanistan used to be a training center, a safe haven for Al Qaida. That's where they plotted the attacks on America.

So I set out a doctrine that said, "If you harbor a terrorist, you're equally as guilty as the terrorist." We enforced the doctrine to protect ourselves. And by doing so, we removed the Taliban from power. And when that happened, it gave the chance for the Afghan citizens to rise up and vote and to develop a democracy. And it happened. Millions of people voted.

There was a vote in the Ukraine that elected a new President. There was a vote in the Palestinian Territories that elected Abu Abbas [Abu Mazen]* as the leader. And then, as you know, last Sunday—I'm getting to you—*[laughter]*—the people of Iraq, when given a chance, went to the polls and said, "We reject terrorism, and we love freedom." That's what they said.

And that matters. Let me tell you why it matters. It matters because free societies are peaceful societies. It matters because in the long run, as freedom spreads, our children and grandchildren will more likely grow up in a peaceful world.

This good-hearted country of ours longs for peace. We will do everything to defend ourselves against the threats of this era, and as we do so, we will spread freedom, because we know that freedom leads to peace, and that's what we want.

The interesting—the lessons we should take away from what happened in the last 4 months is that deep within everybody's soul is the desire to be free. It doesn't matter where you're from or the nature of your religion, freedom is universal. Freedom is God's gift to every single person in this world. And if given the chance, people will express their desire to be free and take great risks to do so, like you saw in Iraq.

* White House correction.

Last night there was a touching moment when the mom and the voter hugged each other. It was a sincere expression of compassion and appreciation by a woman whose dad had been—whose assassination had been ordered by Saddam Hussein, who now had finally been given a chance to vote. It was an indication to me—and I think our country—that the Iraqi people so appreciate the sacrifices, especially those by our military and the military families, in order to free them.

These are historic times. We're living in historic times. Freedom——

Audience member. Mr. President, thank you for liberating Iraq!

The President. You're welcome.

Audience member. You are right! They are wrong! We are—all the way with you!

The President. Thank you, sir. Nothing better than a little free speech to liven up the crowd, you know. Very well-spoken. Got it. Got the message. *[Laughter]*

These are historic times, and the United States of America will continue to lead with friends and allies by our side. I set a goal in my Inaugural speech that said, over the generations, over time, the free world must work to end tyranny. If you believe that freedom is the Almighty's gift to every soul, it makes sense to assume the duty to work with others to spread freedom so everybody, every soul can be free. That's what I believe the role of America must be. That's the call of our generation. And in so doing, we'll leave a peaceful world behind for our children and grandchildren.

Thank you for letting me share that with you. I'm—as you can tell, I'm upbeat about where we're headed.

And so the subject at hand is Social Security. Now, Social Security worked. We're going to talk to a soul who will tell you how important Social Security is to her and her family. Not yet. *[Laughter]* Pretty soon. *[Laughter]* And it's been important, and it's worked. But the problem is, Social Security has changed dramatically since it was created. You see, when it was created, most people's life expectancy was, what, around 60 years old, I guess, and today, people are living longer.

There was—in 1950, there was 16 workers, as this chart will show you, paying for every

beneficiary. In other words, there's a lot of workers putting taxes in to pay for the benefits promised. That made it easy to fund the system. Today, there are about 3.3 workers. When the college kids here get older, there's going to be two workers.

The benefit structure has gone up over time. And so you've got fewer workers paying for more retirees who are living longer—greater benefits. And if you start kind of thinking about the math there, you begin to realize we've got a problem. In other words, there's not enough money coming into the system to pay for the promises for all those who are retiring, like baby boomers like me. There's a bunch of us getting ready to retire. We're living longer. We've been promised greater benefits, and there's few people—fewer people writing the check. In other words, the system has changed.

Now, if you're retired or near retirement, you don't have a thing to worry about. The Social Security trust is solvent. As I said last night and I will continue to say, for those of you who have received your check or about to receive a check, not one thing will change. That's a fact. I fully understand that oftentimes when they stress the Social Security issue, people try to scare you about it, saying, "If old George W. has his way, you're not going to get a dime." Well, that's not the way it's going to work. The truth of the matter is, you're going to get your checks if you're—if you're retired or near retirement. It's just a fact.

The problem comes from younger folks. That's the problem. The math doesn't work. As a matter of fact, as you can see from this chart, starting in the year 2018, more money goes out of Social Security than comes in. Right now, it's the other way around. More money is coming in than is going out. But a bunch of baby boomers who are going to live longer and have been promised greater benefits are fixing to retire. And so the system goes into the red. And it goes into the red—that means negative, that means losing money—quite dramatically. In the year 2027, it will be \$200 billion in the red—\$200 billion for 1 year alone. And in 3032, it's like \$300 billion. And in 20—I mean 2032. And in 2042, it's bust.

Now, for people who have been elected, I guess that seems like a long time down the road. If you've got a 2-year horizon, you're only thinking about 2 years—or 4 years, in my case. But I believe the role of a President and I believe the role of a Congress is to confront problems and not pass them on to future generations. I believe that it's a problem when you're \$200 billion a year short. Now, what does that mean? It means you either have to run up taxes, cut benefits, cut programs, or borrow money. That's what it means—in big ways.

And so I went to Congress last night and said, "I see a problem." Some of them doesn't see—didn't see the problem, evidently. A lot of them do. A lot of really good people on both sides of the aisle recognize we have a problem. I'm going to spend the next couple of days going around the country explaining to people, as clearly as I can, the problem, because I expect people in Congress, when they see a problem, to then come up with solutions.

And so last night I said, "All options are on the table except for running up payroll taxes." I said, "Everybody—all different—all different ideas as to how to solve the problem are on the table." And that's important for Members of Congress to hear. In other words, we're not going to play politics with the issue. We're going to say, "If you've got a good idea, come forth with your idea, because now is the time to put partisanship aside and focus on saving Social Security for young workers."

I put out an idea last night that I think is important. It's a novel way of saying to young workers, "We understand whose money we're spending," and two, "We want you to be able to have more security in your retirement." And that is to allow younger workers to take some of their own payroll taxes and set aside—set it aside in what's called a personal retirement account, a personal retirement account that will earn a better rate of return than the current Social Security trust earns, a personal retirement account which you will call your own, a personal retirement account that can be only invested in conservative stocks and bonds, a conservative account that you can't withdraw all your money upon retirement. But it's your

own account, and it grows. And it supplements Social Security. In other words, you'll get a Social Security check, but you'll also be able to withdraw money from your own personal retirement account to supplement that money.

And why it's a good deal for younger workers is, is because it compounds at a rate of interest faster than the money inside the Social Security trust. You start setting aside money at a young age; it grows over time. It's your money. It's money that you can decide to leave to whomever you want. It's money that the Government can never take away. It's an interesting idea to make sure the Social Security beneficiaries of the future get as close to that which the Government has possible—has guaranteed is possible—has promised as possible, but it's a new idea to encourage ownership in our society.

You know, Federal employees have this under the Thrift Savings Plan, this kind of idea. If it's good enough for Federal employees, it ought to be good enough for workers out there working every single day, it seems like to me.

Now, I've heard all of the complaints, and you'll hear a lot more—how this is going to ruin Social Security. Forget it. It's going to make it stronger. We're going to phase it in so that we can be more fiscally responsible with the budget. And I want to work with Congress on the idea. I mean, I think it makes sense to put out new ideas for an old and important system to make sure it works. And that's exactly what we are doing, and I did last night. I want the people, as I travel around this country, to know, one, there's a problem; two, I'm willing to work with members of both parties to come up with a solution; and three, I've got an innovative idea as to how to benefit the younger workers in America.

And I've got some people up here on the stage that we're going to discuss this issue with right now. Some of them know a lot more about it than I do. It's kind of a hard thing for me to admit. *[Laughter]* One of them, Jeffrey Brown—why would I say that you know more about it than I do? It's probably true, but beside the fact that it's true, like, what do you do?

Dr. Jeffrey R. Brown. Well, you've just convinced me that you do know as much as I do.

The President. I don't know.

Dr. Brown. I'm a professor of economics and finance at the University of Illinois.

The President. Good, yes. We won't hold that against you. Now, get started. *[Laughter]*

[At this point, Dr. Brown, assistant professor, Department of Finance, University of Illinois at Urbana-Champaign, Champaign, IL, made brief remarks.]

The President. Well, it doesn't sound like a long-term problem to me. Thirteen years seems like a pretty short time to me. It's like right around the corner.

Dr. Brown. That's right. And the key here is that we have to act soon, because if we act soon, then we can phase in any changes gradually. We can give people the opportunity to build up these accounts. If we wait until the trust fund runs out of money, there are no good choices left except to cut benefits or raise taxes at that point.

The President. See, I think it's pretty—I hope you're beginning to get a sense for the immediacy of the problem. Sometimes—again, I'm going to say this a lot over the next month: If you're receiving a Social Security check, you have no problem. That's important for people to hear loud and clear. I know there's some folks that are probably nervous when they hear the President talking about changing Social Security. I know that's the case. I've run for office twice to be the President, and people got nervous when I said we needed to do something about Social Security. You have nothing to worry about. We're talking about younger workers who are coming up have got a lot to worry about because of baby boomers like me—not those who have already retired. It's the bulge of us who are fixing to retire. That's Texas for going to retire. *[Laughter]*

What else do you know? *[Laughter]*

[Dr. Brown made further remarks.]

The President. They told me—and tell me if I'm right on this, Jeff—that every year we wait, the problem costs \$600 billion more.

Dr. Brown. That's right.

The President. Is that an accurate statement?

Dr. Brown. This is a number that the Social Security actuaries have put out. And basically what's happening is, every year we wait, another year of those surpluses is gone and more years of deficits lie ahead of us.

The President. Do you have any—if you don't like them, go ahead and say it, but do you have any problems with the personal retirement accounts?

Dr. Brown. Absolutely not. They offer—

The President. I was hoping that would be the answer. *[Laughter]* See if you can explain them better than I can explain them. I mean, compounding rate of interest is an important concept when it comes to the growth of money.

[Dr. Brown made further remarks.]

The President. I know some of you are saying, “Well, gosh, if I put my money into the stock market, what happens if the market goes down the year before I retire?” There are instruments that are devised or available—will be available for younger workers when they get ready to retire—to invest to ensure against a downturn of the market. In other words, it's a different kind of instrument. You still get a better rate than you would in the current trust, but it's a way to make sure that the money isn't lost all at once. But on the other hand, history shows that over any 17-year period of time, you don't lose money in the market on safe, conservative stocks and bonds. It is a fact of life. It is a way that our markets have worked in the past.

And it's also important to know that when you have your own personal account, you can't withdraw all your money. In other words, there will be a withdrawal plan that will complement your Social Security check.

These are all questions I know people are going to have, and I have the obligation to travel the country, like I'm doing, answering as many of the questions that I possibly can answer.

You did a fine job, Jeff.

Dr. Brown. Thank you, sir.

The President. Are you ready, Mary?

Mary Bond. I'm ready.

The President. Thanks for coming. Where do you live?

Mrs. Bond. I live in Walcott, North Dakota. [Applause]

The President. Walcott, yes. A lot of your fellow townsmen are here today, it sounds like. [Laughter] Perhaps the whole town. [Laughter]

Mrs. Bond. There are about 200 people.

The President. Two hundred people in Walcott? That's 3 times bigger than Crawford. [Laughter] I think. Anyway—

Mrs. Bond. Can I please say something?

The President. Yes—you've got the mike. [Laughter] Yes, ma'am.

Mrs. Bond. I just want you to know what an honor it is to have you here today.

The President. Thank you. [Applause] I'm thrilled to be here. Thank you. Okay, wait, wait, we've got work to do. Thank you all. Thank you all very much. I'm thrilled to be here too.

Mrs. Bond. And one more thing. You and Laura—or Mrs. Bush—

The President. Laura is fine.

Mrs. Bond. Okay. [Laughter] You have brought dignity and honor back to the White House. Thank you.

The President. Thank you. [Applause] Thank you all. Okay, okay, Mary. You've done a fine job of firing up the crowd. [Laughter]

Mrs. Bond. We're running out of time.

The President. No, we're not running out of time. [Laughter] I appreciate those kind words. You're here to discuss Social Security.

[Mrs. Bond made further remarks.]

The President. Let me stop there.

Mrs. Bond. Okay. [Laughter]

The President. See, it's very important that when Mary Bond hears us discussing the system is going bust in 2042 that she recognizes the system isn't going broke for her. She's fine. It's these guys right here in the front—yes, you guys—not fine. [Laughter] You got a problem. Thanks for coming to listen, by the way. Now, get back to the library. [Laughter]

What else did you want to say? The reason Mary is here is, again, to make the point—and I don't believe we can make it enough as we discuss this issue—that somebody who

says, "Gosh, the Social Security system is very important for me," recognizes that if you've retired or near retirement—you fall in the near retirement category—

Mrs. Bond. Pretty close.

The President. Have you retired yet?

Mrs. Bond. No.

The President. Then you're near retirement. [Laughter]

Mrs. Bond. Sixty.

The President. No, I'm not asking your age. [Laughter] I'm smarter than that, to ask the age. [Laughter] How old are you? No—[laughter].

Mrs. Bond. Sixty. [Laughter]

The President. So you were going to say something else.

Mrs. Bond. Well, I do have a concern, because a few years ago, my sister-in-law passed away—we're the same age—and she was about 57. And she had worked all of her life. She had a gift shop. She was a realtor and several other jobs. She paid into Social Security all of her life. And then when she passed away, the Social Security was gone. It would be wonderful if she could will that to her husband or her kids. Her husband now is retired and has some health concerns, and he could use that money.

The President. Well, it doesn't work that way. Now, what the personal retirement account would do was allow it to work that way. See, we're beginning to change a portion of Social Security to not only that which was in the current system but as well—a part of the system, but it's now a new owner. Right now your money goes in and it flows directly out to somebody who is receiving benefits. The new way of looking at it is, some of your money would go in and go out to paying benefits; some of your money would stay in your own account. And that is that portion that you can pass on to whomever you want. If it's not spent in your retirement, you get to decide. After all, it's your money.

It's a concept that many are becoming accustomed to in our country through private pension plans, or Federal employees are used to what's called the Thrift Savings Plan—same concept, conservative mix of investment vehicles, and to get a better rate of return than that which is being earned, in this case, inside the Social Security trust.

Certain rules that will prevent gouging by Wall Street so that the fee structure is reasonable and fair and—withdrawal rules. Obviously, you don't want somebody to either, one, invest their money in the race track or the lottery and, two, upon retirement, take it all out and take it to Vegas. As much as I—nothing against Vegas, except we don't want the retirement things all gambled away. We want retirement funds to be around for retirement purposes.

And so the system that we're talking about would enable your sister-in-law to do that. Thanks for coming. You did a heck of a job.

Mrs. Bond. Thank you.

The President. You bet.

All right, Tricia Traynor, welcome.

Maj. Tricia Traynor, USAFR. Welcome.

The President. Thank you. You are married? For how long?

Major Traynor. Three months—almost 3 months. My husband, Dan—

The President. Where is he?

Major Traynor. He is over to the right, waving his hand.

The President. There he is. Fine-looking man. That a boy, Dan. Interesting about Tricia is she is a—

Major Traynor. Major in the Air Force Reserve.

The President. There you go. Have you been overseas yet?

Major Traynor. Yes. I was in the Middle East for 6 months in 2003, for Operation Iraqi Freedom.

The President. Good. Thanks for serving. Your Nation is grateful, but I—and equally as grateful are the good folks from Iraq that are here today. Thanks for being there.

So tell me what's on your mind about Social Security. You're young.

Major Traynor. We're in our thirties.

The President. Yes, you fall in the category of those who should be worried about whether or not Congress and the President has got the will to act.

Major Traynor. We'd like to make sure that the money we are investing in Social Security now will be there 30 years from now, 40 years from now.

The President. Right. Well, don't look at that chart. [Laughter] Whatever you do, don't look over your left shoulder—[laugh-

ter]—and see how much money—because it's not going to be there. So therefore, you're interested—let me ask you something. So you've heard about personal retirement accounts. Give me—just tell the folks here what you thought when you heard it. I mean, people need to kind of get a sense for how souls such as yourself, an educated person, obviously interested in the future, worried about your and Dan's life, think about a new concept for Social Security.

Major Traynor. Mr. President, it gives us hope that somebody is willing to address the issue. It's too easy to just push it down the road, and it's better to prevent the crisis before the crisis takes place.

The President. That's the first threshold issue. Thank you. You know what I found—yes, you want to come back in?

[Mrs. Bond made further remarks.]

The President. You probably think I hired her or something. [Laughter] Did you talk to my mother this morning? [Laughter] Thanks.

Look, here's the thing: The threshold question is whether there's a problem that needs to be solved. And if there is, then who can come up with solutions that work.

And so thank you for saying that. I—it's in my nature to confront problems. And I really enjoyed giving the speech last night and trying to do the very best I could to kind of educate people, is to explain as rationally as possible why we have a problem. And the major is typical of many 30-year-old citizens around. In the course of two campaigns, I campaigned on this issue. Some were saying, "Oh, don't talk about the issue. It's the third rail of American politics. If you touch it, you know, you become politically electrocuted." [Laughter]

I don't—I believe that the whole issue has shifted over time. Once older citizens are sure they're going to get their check—and I assure you you're going to get your check—that younger workers begin to—will have a voice in deciding how this issue turns out. Once people say, "Well, there is a problem. What are you going to do about it?"—that's what the major just said. And so, Major, personal accounts, any feel for that at all?

Major Traynor. The Thrift Savings Plans were opened up to the military just a couple years ago.

The President. You're in one?

Major Traynor. I am in one. I participate. What it is, is it's a safe investment, and it allows me to take a portion of the income I'm earning and put it away to save it for the future. And I'm happy with that, and I like the idea of sharing that with the American public and not just limiting it to Federal employees.

The President. Federal employees—see, she's in a Thrift Savings Plan very similar—in other words, we're not inventing something new. What's new is that it would be associated with a retirement through Social Security. It's not new. It's already being used. It's a plan that is—that Federal employees are able to take advantage of. The way we proposed the plan is that you could put \$1,000—up to 4 percent of your income, which is ever less—in your account. And over time, the 1,000 grows. Is that right—up to 1,000, 4 percent, which ever is less? Yes, I think that's right. It better be right. *[Laughter]*

So in other words, if you're making 90,000, you'll eventually be able to put \$3,600 a year away in a personal account. But it starts at 1,000 and phases in over time, in order to make sure that the—is fiscally responsible. So I don't want to know your income, but you could start with 1,000, and over time it grows. And as interest compounds, Tricia and her husband would have a nice nest egg to complement that which would be coming out of Social Security.

Is that the way you see it?

Major Traynor. Yes.

The President. That's the way it's going to be, if only we can get Congress to vote it in.

All right, Paul. Paul Thomas.

Paul Thomas. Yes, Mr. President.

The President. Where are you from?

Mr. Thomas. I'm from Velva, North Dakota, which is very close to Karlsruhe, North Dakota.

The President. That's good. I was just thinking the same thing myself. *[Laughter]* What do you do?

Mr. Thomas. I—just this past March, my wife, Karen, of 5½ years, and my son Jonathan, 4, and Michael, 2, returned to our family farm and took over that. We're the fourth generation of Thomases to farm that.

The President. Fabulous. Sounds like a North Dakota tradition to me. One thing, before we get in—I've got another issue I want to drop out there. In order to make sure that Paul and future Pauls are able to stay on the farm, we need to get rid of the death tax once and for all. It's being phased out. It's being phased out, but it pops back up in 2011. It's going to make for some very interesting estate planning in 2010, if you get my drift. *[Laughter]* Like you think it's gone, and then it comes back. Anyway, we'll worry about that at another time.

[Mr. Thomas, owner/manager, Thomas Grain Farms, Velva, ND, made further remarks.]

The President. Yes, well, thank you, Paul. Look, here's an interesting—isn't it interesting. I wonder if 30 years ago, we would be having the same conversation. I don't think so. A lot has changed. There's a lot of more—there's a lot more awareness among younger Americans about what it means to manage your own retirement account. After all, it's happening more and more in our society; 401(k)s have become a part of how people think. You've just heard from two younger Americans who are now saying, "Give me a chance to manage my own money. I feel more secure if I can see that money"—in other words, if you own it. I strongly believe in an ownership society. I want more people owning their home, own their own business, owning and managing their own health care account, and owning and managing their retirement account. I think it makes America a better place.

What do you farm?

Mr. Thomas. We produce a number of crops, principally wheat, sunflowers, peas and lentils, granola and barley—quite a few.

The President. You sure do, yes. You selling any of it overseas?

Mr. Thomas. Well, they eventually make it over there. We have—in our farm, we had also diversified into some specific IP crops

that went to specific customers where we were able to get some better prices for them.

The President. Yes, one of the things I need to do over the next 4 years is to continue to open up markets. The reason why is North Dakota farmers are real good at what they do, and therefore, if you're good at what you do, you ought to have as many markets available for your product as possible. And so I appreciate you doing that. And same for cattlemen too, by the way. We want our beef going all over the world. There's great beef here in America, and people ought to be eating it—a lot of them.

Today, I hope you get a sense of, one, there is a problem. If you're an older American, you have no problem. You're in good shape. You don't even look older to me. [Laughter] Two, if you're a young person, demand that Congress at least address the issue head on and not pass it down.

Secondly, there are some interesting solutions on the table. All of them are on the table as far as I'm concerned. People have made interesting—put forth interesting ideas, and I just want the good people of North Dakota to listen. It doesn't matter to me whether it's a Democrat idea, a Republican idea. If it's a good idea to make this system work, I'll listen and work with them. I'll work with people who—and also, I hope you can tell I'm willing to put out some ideas of my own. I believe part of the role of a leader is to say, “Well, there is a problem, and by the way, here are some ideas that make it work.” And I also want you to know that I'm going to travel our country speaking as plainly as I can about a problem that I see, and expecting—because I believe, I truly believe that the American people can help decide an issue in the Halls of Congress. It's what a democracy does. When the people speak, the elected officials listen.

That's what you're going to find out in Iraq, by the way. That's why, ultimately, democratic societies are peaceful societies—because most people want peace. Moms and dads from all cultures want to raise their child in a peaceful environment. Moms and dads of all cultures believe in a child's education and believe in compassion and don't want war for their children.

And so representative government is one that responds to the people, and I believe when the people speak clearly on this issue, when they recognize there's a problem, they're going to say to the Congress, we expect a solution to make sure that younger Americans have got a retirement system that is viable in the years to come.

And so you're witnessing step one of my—of what's going to be a series of trips around our great land. I kind of want to tell you something, though. Getting out of Washington is healthy, and getting out amongst the people is invigorating, and I want to thank you for coming out to say hello.

May God bless you all.

NOTE: The President spoke at 11:33 a.m. in the Bison Sports Arena at North Dakota State University. In his remarks, he referred to Gov. John Hoeven of North Dakota and his wife, Mical “Mikey”; Lt. Gov. Jack Dalrymple of North Dakota and his wife, Betsy; North Dakota State Attorney General Wayne Stenehjem; former Gov. Edward T. Schafer of North Dakota and his wife, Nancy Jones Schafer; Joseph A. Chapman, president, North Dakota State University; President Viktor Yushchenko of Ukraine; President Mahmoud Abbas (Abu Mazen) of the Palestinian Authority; former President Saddam Hussein of Iraq; and Janet Norwood, mother of Sgt. Byron Norwood, USMC, who was killed in Iraq on November 13, 2004, and Iraqi citizen and political activist Safia Taleb al-Suhail, both of whom were guests of the First Lady at the President's State of the Union Address on February 2.

Remarks in a Discussion on Strengthening Social Security and a Question-and-Answer Session in Great Falls, Montana

February 3, 2005

The President. Thank you all for coming. Thank you all for being here. Go ahead and have a seat. Thank you. Nice to be in the part of the world where the cowboy hats outnumber the ties. Thanks for coming. Gosh, it's wonderful to be back in Montana. What a fabulous State, full of really decent, honorable people.

Conrad, thanks for introducing me. I'm glad you didn't auction me off. [Laughter] Doing a fine job in the United States Senate,